

Notice Regarding Liquidation and Dissolution of Subsidiary

STAR MICRONICS CO., LTD. ("the Company") has announced that liquidation and dissolution its consolidated subsidiary, Star Cloud Services Inc. (100% investment by Star Micronics, Location: United States).

1. Reason for Liquidation

Star Cloud Services Inc. was established in February 2015 to plan services via the cloud. The subsidiary was active for two and a half years.

As part of an overhaul of the cloud services business, the decision was taken to dissolve the subsidiary, as it's intended planning and marketing role was completed and the Company has been selected to lead the development of the business globally as the optimal approach.

2. Overview of Star Cloud Services Inc. (the subsidiary to be liquidated)

- (1) Company Name: Star Cloud Services Inc.
- (2) Location: Sunnyvale, California, USA
- (3) Representative: Kazuyoshi Terao
- (4) Business activities: planning, operation, and management of cloud-based services
- (5) Capital: 50US\$
- (6) Capital structure: STAR MICRONICS CO., LTD. 100%

3. Schedule

The subsidiary is scheduled to be dissolved after all the necessary steps have been taken with the local authorities.

4. Outlook

Impact on operating results for the fiscal year ending February 28, 2018 is negligible.